BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE GEGRETARY

POSTAL RATE AND FEE CHANGES, 2000

DOCKET NO. R2000-1

PARCEL SHIPPERS ASSOCIATION (PSA)
INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS TO
UNITED PARCEL SERVICE (PSA/UPS-1, 2, 3, 4, 5 and 6)

The Parcel Shippers Association (PSA) requests United States Postal Service to respond fully and completely to the following interrogatories and requests for production of documents pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure.

Respectfully submitted,

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Dated: June 19, 2000

PSA/UPS-T-1

In its Intervenor's Statement filed January 13, 2000, UPS states that it competes with USPS, and provides the following types of service:

- (a) International delivery services;
- (b) Expedited letter delivery services;
- (c) Parcel delivery services via air operations; and
- (d) Parcel delivery services via ground transportation.

Please provide, for the latest period for which this information is available, the numbers of parcels and expedited letters that UPS transported for customers broken down by the identifiable categories above; and furthermore please subdivide the parcel post type packages which are delivered by ground shipment on a non-expedited basis between commercial and residential delivery.

PSA/UPS-2

On page 1 of its Intervenor's Statement, UPS states that it is a substantial user of postal services. Please provide the total number of parcels and the dollar value of the postage on such parcels that were shipped as Standard (A) mail which met the Postal Service definition of non-letter, non-flat mail. Also, please identify what portion, in volume and revenue, of the parcels shipped in Standard (A) were parcels that had been deposited with United Parcel Service by UPS customers for delivery.

PSA/UPS-3

On page 2 of its Intervenor's Statement, UPS states that, as a competitor of USPS, it will be affected by the USPS changes proposed in this proceeding. Please state for the record whether the Postal Service's proposed priority and parcel post rates

in this proceeding will have an adverse financial impact on United Parcel Service. If the answer is in the affirmative, for either service, please supply specifically the extent of the impact, including the number of packages it anticipates it will lose or gain because of the proposed rates, and the UPS revenues represented by that lost or gained volume.

PSA/UPS-4

Please confirm that UPS has a maximum weight and size limit on packages of 150 pounds and 130 inches in length and girth combined, and that the Postal Service limitations are correspondingly 70 pounds and 130 inches in length and girth combined. Please provide an estimate of the number of parcels handled by United Parcel Service, in the most recent period for which such data are available, that were in excess of 70 pounds and also how many were in excess of 108 inches in length and girth combined. Also, please provide the rates UPS charges for parcels in excess of 108 inches in length and girth combined.

PSA/UPS-5

Please provide for the last five years UPS revenues, costs, and annual volumes. For this five year period, please identify the volumes, the revenue, the costs attributable to and the net income realized from its domestic, non-expedited transportation of parcels exceeding one pound, and those under one pound. If you are unable to disaggregate under and over one pound parcels, you may combine them in your response.

PSA/UPS-6

So that it is possible to compare parcel post rates with the rates charged by UPS for comparable ground transportation service, please supply the following:

- (a) UPS' published tariff for non-expedited ground transportation of parcels;
- (b) The gross percentage of the parcels described above that are carried at so-called "contract rates" that are lower than the applicable rates in the published tariff;
- (c) The average discount from published tariff rates for those parcels identified in (b) above;
- (d) The gross percentage of the parcels described above that are carried at rates higher than the applicable rates in the published tariff; and
- (e) The average surcharge above published tariff rates for those parcels identified in (d) above.

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the Postal Service by hand and by First-Class Mail upon all participants in this proceeding requesting such service.

Timothy J. May

Dated: June 19, 2000